

#### REMARKS/ARGUMENTS

Claims 1-53 were in the application.

In the last office action, all of the claims were rejected on art. Claim 40 was also objected to due to an incorrect dependency which has now been corrected.

In the specification, the paragraphs [0054] and [0092] have been amended to correct an error in translation wherein "commutator" was erroneously used instead of "switch."

Claims 1-3, 5, 7-9, 12-24, 31-36 and 50-52 have been rejected under 35 U.S.C. § 103 as obvious over Nicholson in view of Sie et al. Claims 25-30 have been rejected under 35 U.S.C. § 103 as obvious over Nicholson and Sie et al in view of Sie et al. in view of Hamlin. Claims 2, 6 and 53 have been rejected under 35 U.S.C. § 103 as obvious over Nicholson in view of Yoshida. Claim 4 has been rejected under 35 U.S.C. § 103 as obvious over Nicholson and Sie in view of Macdonald. Claims 10, 11 and 49 have been rejected under 35 U.S.C. § 103 as obvious over Nicholson and Sie in view of Dufresne. Claims 37-48 have been rejected under 35 U.S.C. § 103 as obvious over Nicholson and Sie in view of Diehl.

In response to the last office action, applicant set forth differences between Nicholson, which underpins all of the claim rejections, and the present invention. In the latest office action, the examiner noted that the claims did not incorporate some of the features upon which applicant relied to distinguish the instant

invention, i.e., the mixing of reserved signals with nonreserved signals.

The claims have now been amended to more clearly distinguish from the cited art and to expressly recite the features upon which applicant has heretofore relied. Other amendments have been made to a specification translated from Italian for greater consistency with U.S. idiom and practice and to avoid multiple claim dependencies. No new matter has been added.

As previously explained, Nicholson and the instant application disclose very different systems for the distribution of signals to the users of a condominium. The differences are more substantial than Applicant's use of digital signals which are absent from Nicholson's teachings.

According to the instant application, various types of signals are received and distributed on a distribution network. Some of the received signals, referred to as "reserved signals", are transmodulated and shifted in frequency in order to be allocated inside a band of "reserved frequency portions, or personal channels". The remaining signals are mixed with the reserved signals and distributed together to the system users.

Each user has a socket to which the signal input of the user's television set is connected. Each socket is provided with a filter 15 which hides the reserved band of frequencies. Each user is able to see programming which is received on all of the non-reserved signals.

If a user wants to receive a program on a "reserved signal" (e.g. pay-per-view television), a second filter 16 is connected in parallel to the first filter thereby allowing the user to receive the reserved signal programming, e.g., pay-per view.

Nicholson does not use the foregoing approach. Instead, Nicholson sends only one of the selected signals to the user. Each time the user changes the TV channel, a signal is sent to the user's multi-channel remote, switching a processing converter (RSPC) in order to tune, demodulate, modulate and then amplify the signal that corresponds to the channel selected by the user. This requires a very intensive use of the RSPC, which is interrogated with each change of channel.

Applicant's invention provides for a more reliable solution as all the non-reserved signals are distributed on the network to all of the users. That is, the remote elements of the systems are not interrogated each time a user wants to switch between one non reserved channel and another non reserved channel, unlike Nicholson which requires such an interrogation.

The present invention offers a further economic advantage. In most cases, not all of the users of a condominium will want to pay to receive "reserved channels". For these subscribers a Remote Switching and Processing Converter (RSPC) is unnecessary. Nicholson requires RSPC capability for all subscribers, even those who will never view reserved channels.

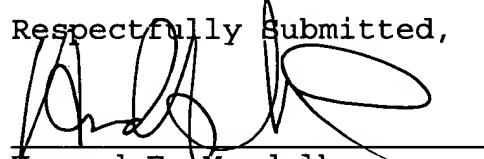
There is a fundamental difference between Nicholson and the instant invention in that, in distributing the signals into a condominium, Nicholson concentrates all the switching activity into a remote location, while the instant invention distributes the switching activity among the users.

None of the prior art cited by the Examiner discloses distributing information signals intended for all users on free bands and information signals intended for a limited population of subscribers on reserved bands.

For the foregoing reasons, it is respectfully submitted that all of the claims, as now amended, are patentable over Nicholson whether considered alone or in combination with any of the cited references.

In view of the foregoing, it is respectfully submitted that the application is now in condition for allowance. Early and favorable action is earnestly solicited.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'H. F. Mandelbaum', written over a horizontal line.

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